

## AUSTRALIAN FIXED INTEREST FUND

Our investment approach is fundamentally driven and seeks to take advantage of situations where market pricing has become misaligned with economic and investment fundamentals.

### Objective

The Janus Henderson Australian Fixed Interest Fund (“**Fund**”) seeks to achieve a total return after fees that exceeds the total return of the Bloomberg AusBond Composite 0+ Yr Index (“**Benchmark**”), over rolling three-year periods.

### About the Fund

The Fund is an actively managed portfolio of high quality interest bearing securities that seeks to provide a high level of capital protection. Janus Henderson’s Australian Fixed Interest Team (“**Team**”) seeks to add value to the Benchmark using a combination of active strategies including duration and yield curve management (actively managing the maturity profile of securities within the Fund), sector allocation and security selection.

### Investment philosophy

The Team’s investment approach is fundamentally driven and seeks to take advantage of situations where market pricing has become misaligned with economic and investment fundamentals.

The Team believes that investment markets are at times, influenced by non-fundamental factors that cause prices to periodically overshoot their fair value levels. For Australian fixed interest portfolios, the biggest inefficiency that the Team seeks to exploit is the disproportionate impact that short term factors have on the valuation of long term securities.

Using an active approach, the Team seeks to add value relative to market benchmarks by identifying these situations and constructing portfolios to capture value as these mispricings unwind. In Australian fixed interest, this can occur in the absolute level of interest rates, the shape of the yield curve, the relative value between sectors or the pricing of individual securities.

### Investment process

The Team follows a three stage portfolio construction process:

#### 1. Fundamental research

The Team initiate the investment process with fundamental research including:

- **Economic outlook:** i.e. driving interest rate management
- **Market research:** i.e. sector allocation
- **Credit research:** i.e. security selection

This research allows the Team to identify periods where there is a gap between market/security pricing and the Team’s estimates of fair value. The size of these gaps will determine the interest rate, sector and security strategies determined from the second stage of the investment process.

#### 2. Strategy formulation

The Team apply a range of strategies that include duration and yield curve management (actively managing the maturity profile of the Fund), sector rotation and individual security selection.

From a bottom-up perspective, our credit research uses a three stage filter to determine which securities, and in what magnitude, they find their way into the Fund:

- **Credit analysis:** Assessment of quality, price and the diversification benefits to the portfolio
- **Pricing for risk:** An assessment of “fair value”
- **Investment guidelines:** Sector exposures and concentration limits

#### 3. Portfolio construction

Our proprietary risk tool is used to construct the Fund through the measurement of interest rate risk, sector risk, credit risk and exposure by security type.

## Key reasons to invest in the Fund

**Exposure to investment opportunities:** Access to investment opportunities that individual investors may not be able to achieve on their own.

**Local expertise:** Access to a highly experienced Australian based investment management team with a proven track record of managing cash, money market and fixed interest portfolios.

**Global presence:** Access to the investment knowledge and expertise of Janus Henderson's global network of investment professionals.

## Key facts about the Fund

APIR code	IOF0046AU
Inception date	Aug-94
Risk profile	Medium
ASX mFund	JHI05
Minimum recommended investment period	3 years
Investment management fee	0.45% p.a.
Buy/Sell spread	0.00% / 0.08%*
Unit pricing frequency	Daily
Income distribution	Quarterly (if any)

Please refer to the Product Disclosure Statement for further information.

\*Current buy/sell spread became effective as at 25 August 2020. For more information and most up to date buy/sell spread information visit [www.janushenderson.com/en-au/investor/buy-sell-spreads](http://www.janushenderson.com/en-au/investor/buy-sell-spreads)

## The Team

The Team manages assets across the full spectrum of the fixed interest universe. This ranges from cash portfolios to long duration bond portfolios and covers a wide range of issuers extending from governments to corporations and asset backed securities.

The team of eight investment professionals have been managing fixed interest portfolios for over 19 years. The Team manages in excess of \$14bn (as at 30 June 2021) on behalf of a wide range of institutional and retail clients.

## Researcher ratings (for adviser use only)



## Platform availability

- ANZ Grow Wrap
- Asgard
- BT Wrap
- Hub 24
- IOOF eXpand
- Linear
- mFund
- Netwealth
- Praemium
- ANZ OneAnswer
- BT Panorama
- Colonial FirstWrap
- ING PortfolioOne
- IOOF Pursuit
- Macquarie Wrap
- MLC Navigator
- Powerwrap
- uXchange

FOR MORE INFORMATION, VISIT [JANUSHENDERSON.COM/AUSTRALIA](http://JANUSHENDERSON.COM/AUSTRALIA)

**Janus Henderson**  
INVESTORS

### Important Information

This document is issued by Janus Henderson Investors (Australia) Funds Management Limited (AFSL 444268, ABN 43 164 177 244). Whilst Janus Henderson Investors (Australia) Funds Management Limited believe that the information is correct at the date of this document, no warranty or representation is given to this effect and no responsibility can be accepted by Janus Henderson Investors (Australia) Funds Management Limited to any end users for any action taken on the basis of this information. The information herein shall not in any way constitute advice or an invitation to invest. It is solely for information purposes and subject to change without notice. Past performance is not indicative of future performance. All opinions and estimates in this information are subject to change without notice. Please read and consider the Product Disclosure Statement and Additional Information Guide for the Fund available at [www.janushenderson.com/australia](http://www.janushenderson.com/australia). Target Market Determinations for funds issued by Janus Henderson are available here: [www.janushenderson.com/TMD](http://www.janushenderson.com/TMD).

Janus Henderson Investors (Australia) Funds Management Limited (AFSL 444268, ABN 43 164 177 244) is not under any obligation to update this information to the extent that it is or becomes out of date or incorrect. Janus Henderson Investors Australia is the name under which Janus Henderson Investors Australia Limited (ABN 47 124 279 518), Janus Henderson Investors (Australia) Funds Management Limited (AFSL 444268, ABN 43 164 177 244) and Janus Henderson Investors (Australia) Institutional Funds Management Limited (AFSL 444266, ABN 16 165 119 531) operate. These companies are wholly owned subsidiaries of Janus Henderson Group plc (incorporated in Jersey, registered no.101484, registered office 13 Castle Street, St Helier, Jersey JE1 1ES). Dollar figures shown are in Australian Dollars (AUD), unless otherwise stated. Janus Henderson, Intech and Knowledge Shared are trademarks of Janus Henderson Group plc or one of its subsidiaries. © Janus Henderson Group plc.

The rating issued 08/2021 is published by Lonssec Research Pty Ltd ABN 11 151 658 561 AFSL 421 445 (Lonssec). Ratings are general advice only, and have been prepared without taking account of your objectives, financial situation or needs. Consider your personal circumstances, read the product disclosure statement and seek independent financial advice before investing. The rating is not a recommendation to purchase, sell or hold any product. Past performance information is not indicative of future performance. Ratings are subject to change without notice and Lonssec assumes no obligation to update. Lonssec uses objective criteria and receives a fee from the Fund Manager. Visit [lonssec.com.au](http://lonssec.com.au) for ratings information and to access the full report. © 2020 Lonssec. All rights reserved.

The Zenith Investment Partners (ABN 27 103 132 672, AFS Licence 226872) ("Zenith") rating (assigned June 2021) referred to in this document is limited to "General Advice" (s766B Corporations Act 2001) for Wholesale clients only. This advice has been prepared without taking into account the objectives, financial situation or needs of any individual and is subject to change at any time without prior notice. It is not a specific recommendation to purchase, sell or hold the relevant product(s). Investors should seek independent financial advice before making an investment decision and should consider the appropriateness of this advice in light of their own objectives, financial situation and needs. Investors should obtain a copy of and consider the PDS or offer document before making any decision and refer to the full Zenith Product Assessment available on the Zenith website. Past performance is not an indication of future performance. Zenith usually charges the product issuer, fund manager or related party to conduct Product Assessments. Full details regarding Zenith's methodology, ratings definitions and regulatory compliance are available on our Product Assessments and at <http://www.zenithpartners.com.au/RegulatoryGuidelines>. H048833\_0821